

the IG Connection

A newsletter brought to you by the Division of Inspector General
Clerk of the Circuit Court & Comptroller, Pinellas County, Florida



November 2020



KEN BURKE, CPA

CLERK OF THE CIRCUIT COURT
AND COMPTROLLER

An Accredited Office
of Inspectors General



FRAUD ALERT

SIGN UP TODAY and receive free alerts when a document with your name is recorded in Official Records. Protect yourself from fraud. **CLICK HERE.**

GET IN TOUCH:

Write:

Public Integrity Unit
Division of Inspector General
Fraud Hotline
510 Bay Avenue
Clearwater, FL 33756

Call:

(727) 45FRAUD
(727) 453-7283

Fax:

(727) 464-8386

E-mail:

fraudhotline@mypinellasclerk.org

Internet:

www.mypinellasclerk.org
[www.twitter.com/pinellasig](https://twitter.com/pinellasig)
www.facebook.com/igpinellas

International Fraud Awareness Week November 15-21, 2020



International Fraud Awareness Week, or Fraud Week, was established by the Association of Certified Fraud Examiners (ACFE) in 2000 as a dedicated time to raise awareness about fraud. The week-long campaign encourages business leaders and employees to proactively take steps to minimize the impact of

fraud by promoting anti-fraud awareness and education.

The ACFE is the world's largest anti-fraud organization and premier provider of anti-fraud training and education. The mission of the ACFE is to reduce the incidence of fraud and white-collar crime and to assist the membership in fraud detection and deterrence. Together with more than 85,000 members, the ACFE is reducing business fraud worldwide and inspiring public confidence in the integrity and objectivity within the profession.



All staff of the Pinellas County Division of Inspector General are members of the ACFE with two members holding the Certified Fraud Examiner designation.

The Cost of Fraud

According to the ACFE's 2020 Report to the Nations, organizations worldwide lose an estimated 5% of their annual revenues to fraud. That's more than \$4.5 trillion lost to fraud globally each year.

The report placed fraud into three categories:

1. Asset misappropriation, which involves an employee stealing or misusing the employing organization's resources.
2. Corruption, which includes offenses such as bribery, conflicts of interest, and extortion.
3. Financial statement fraud, in which the perpetrator intentionally causes a material misstatement or omission in the organization's financial statements.

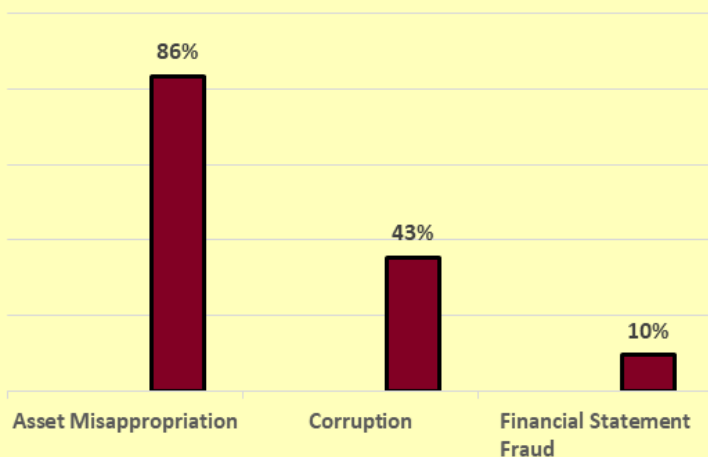
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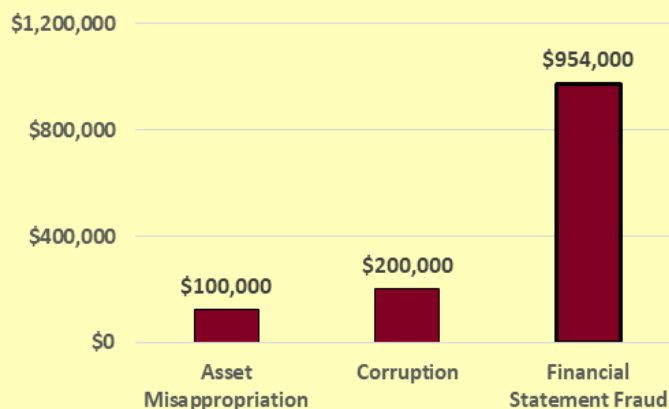


With 86% of cases, asset mismanagement is the most common of the three types of fraud. While asset mismanagement occurred the most often, the median loss from financial statement fraud was nearly a million dollars compared to \$100,000 per case for asset misappropriation.

2020 Occupational Fraud by Category

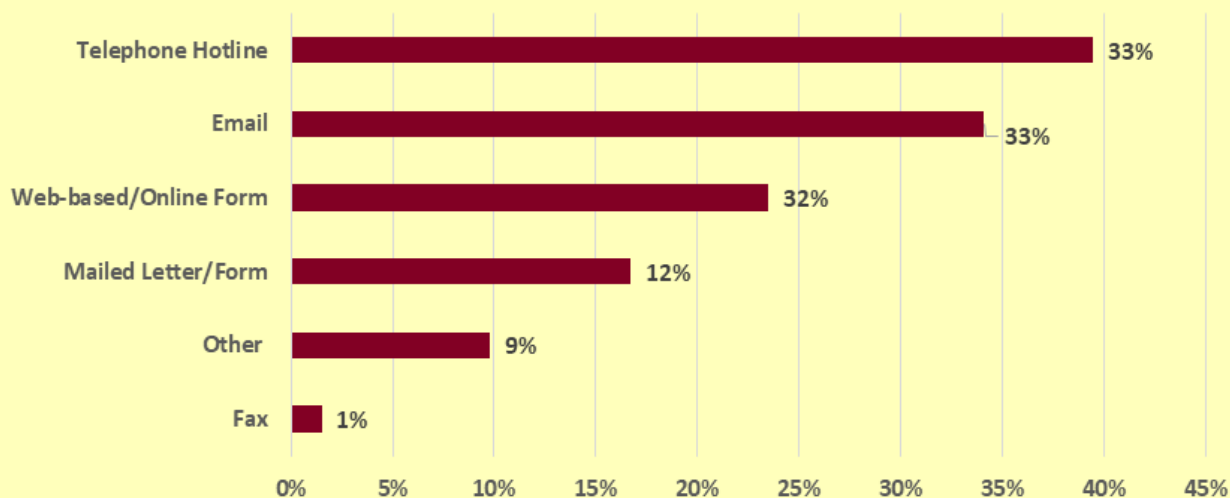


2020 Occupational Fraud by Category - Median Loss



People who commit fraud never expect they will be caught. They risk their careers, reputation, and freedom by engaging in fraud. According to the report, half of all of fraud scheme tips were provided by other employees, while the remaining tips came from citizens, such as customers, vendors, competitors, shareholders/owners, and other/anonymous sources.

Formal Reporting Mechanism Used by Whistleblowers



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While fraud prevention and detection are a year-round endeavor, International Fraud Awareness Week provides a great opportunity to spotlight this serious problem and stress the importance of anti-fraud training and education.

The Pinellas County Division of Inspector General has several ways for employees and citizens to report allegations of fraud, waste, and abuse directed against County government.

- **By Phone:** 727-45FRAUD (453-7283)
- **By Fax:** 727-464-8386
- **Online**
- **By Mail:**
Public Integrity Unit
Division of Inspector General
Fraud Hotline
510 Bay Ave.
Clearwater, FL 33756

When reporting fraud, waste, or abuse, you may remain anonymous if you wish.

During calendar year 2019, the Pinellas County Division of Inspector General (IG) handled 245 anonymous hotline tips. The IG reviewed 135 of these tips and determined that 10 required investigation, while 126 were referred to the appropriate agencies, including:

- County Departments
- Pinellas County Sheriff's Office
- Florida Sixth Judicial Circuit Court
- Local Police Department
- States Attorney's Office
- Florida Department of Elder Affairs
- Florida Department of Children and Families
- The Florida Bar

The fraud reporting program is critical in our efforts to combat fraud, waste, and abuse as complaints provide the ability to generate leads from multiple sources. Investigations are initiated upon the receipt of credible information alleging an act of fraud, waste, or abuse that falls within the IG's jurisdiction.

Source:

2020 Report to the Nations on Occupational Fraud and Abuse, Association of Certified Fraud examiners

<https://fraudweek.com>

<https://www.acfe.com>